government are fully shared by the United ates. The ratifications of the Consu'ar and Nataralization Conventions with the Austro-Hungarian empire have been exchanged.

KINGDOM OF ITALY.

I have been officially informed or the annexation of the States of the Court a to the kingdom of Italy and the removal of the capital of that kingdom to Rome. In conformity with the established policy of the United States I have recognized this

The ratifications of the new treaty of commerce between the United States and Italy have been exchanged. The two Powers have agreed in this treaty that private property at sea shall be exempt from capture in case of war between the two Powers. The United States have spared no opportunity of incorporating this rule into the obligation of sta-

THE UNITED STATES, SPAIN AND CUBA. The Forty-first Congress at its third session made an appropriation for the organization of a mixed on for adjudicating upon the claims of citizens of the United States against Spain, growing out of the insurrection of Cuba. That Commission has since been organized. I trans mit herewith the correspondence relating to its formation and its jurisdiction. tt is to be noped that this Commission will afford the claimants a complete remedy for their injuries. It has been made the agreeable duty of the United states to preside over a conference at Washington between the Pienipoten:iaries of Spain an I the ailted South American republics, which has resulted in an armistice, with the reasonable assurance of a per-

manent peace.

The initimate triendly relations which have so long existed between the United States and Russia contimue undisturbed. The visit of the third son of the Emperor is a proof that there is no desire on the part of his government to din hish the cordiality of those relations. The hospitable reception which has been given to the Grand Duke is a proof that on our side we share the wishes of that government. The inexcusable course of the Russian Minister a Washington rendered it necessary to ask his recall, and to decline to longer receive that functionary as a diplomatic representative. It was impossible with self-respect or with a just regard to the digthe country to permit Mr. Catato continue to hold intercourse with this government after his personal abuse of government officials, and during his persistent interference, through various means, with the relations between the United States and other Powers, In accordance with my wishes this government has been relieved of further intercourse with Mr. Catacazy, and the management of the affairs of the imperial Legation has passe i into the hands of a gentieman entirely unobjectionable.

JAPAN, CHINA AND THE COREA. With Japan we continue to maintain intimate re-lations. The Cabinet of the Mikado has stice the close of the last session of Congress selected citizens of the United States to serve in offices of importance in several departments of government. I have reason to think that this selection is due to an appreciation of the disinterestedness of the policy which the United States have pursued towards Japan. It is our desire to continue to maintain this disinterested and just policy with China, as well as Japan. The correspondence transmitted herewith shows that there is no disposition on the part of this government to swerve from its established course. Prompted by a desire to put an end to the barbarous treatment of our shipwrecked sailors on the Corean coast, I instructed our Minister at Pekin to engeavor to conclude a convention with Corea for securing the salety and humane treatment of such mariners. Admiral Rodgers was instructed to accompany him with a sufficient force to protect him in case of need. A small surveying party was sent out and on reaching the coast was treached rousty at acked at a disadvantage. Ample opportunity was given for explanation and apology. Neither came. A lorce was then landed. After an arquous march over a rugged and difficult country the forts from which the entrages had been committed were reduced by a gallant assault and were destroyed. Having thus punished the criminals, and having vinuicated the honor of the dag, the expedition returned, finding it impracticable under the circumstances to conclude the desired convention. I respectfully refer to the correspondence relating thereto, herewith submitted, and leave the subject for such action as Congress may see fit to take.

THE MEXICAN AND SOUTH AMERICAN REPUBLICS. The republic of Mexico has not yet repealed the very objectionable laws establishing what is known as the free zone on the frontier of the United States. It is hoped that this may yet be done, and also that more stringent measures may be taken by that republic for restraining lawiess persons on its frontiers. I hope Mexico, by its own action, will soon relieve this government of the difficulties experienced from these causes.

Our relations with the various republics of Central and South America commue, with one exception, to be cordial and friendly. I recommend some action by Congress regarding the overdue instalments under the award of the Venezuela Cialins Compilssion of 1866. The internal dissensions of this government

1866. The internal dissensions of this government present no justification for the absence of effort to meet their solema treaty obligations. The ratification of the Extraortion Treaty with Sicaragua has been exchanged.

It is a subject for congratulation that the great emoire of Brazil has taken the initiatory step towards the aboution of stavery. Our relations with that empire, always core lai, will naturally be made more so by this act. It is not too much to hope that the government of Brazil will bereafter find it for its interest, as well as mirrosically right, to advance towards entire emancipation more rapidly than the present act contemplates.

tes interest, as well as mirinsically right, to advance towards entire emancipation more rapidly than the present act contemplates.

Staveary in the West Indies.

The true prosperity and greatness of a nation are to be found in the cley aton and concation of its laborers. It is a subject for regret that the reforms in this direction which were voluntarily promised by the statesmen of Spain have not by the carried out in its West India colonies, the laws and regulation, for the apparent abolition of stavery in Cuba and Porto Rico leave most of the laborers in bondage, with no hope of their release until their lives become a burnen to their employers, I desire to direct your attention to the tact that the citizens of the United States, are large holders in foreign lands of this species of property, forbidden by the fundamental law of their alleged country. I recommend to Congress to provide by stringent legislation a sulfable remedy against the bolding, owning or dealing in slaves or being interested in slave property in foreign lands, cliner as owners, hirrers or mortgagors, by citizens of the United States.

Affallis in Cuba.

It is to be regretted that the disturbed condition

hirers or mortgagors, by citzens of the United States.

AFAIRS IN CUBA.

It is to be regretted that the disturbed condition of the island of Cuba continues to be a source of annoyance and of anxiety. The existence of a protracted strugge in such close proximity to our own territory, without apparent prospect of an early termination, cannot be other dan an object of concern to a peopie who, while histaining from interference in the affairs of other Powers, naturally desire to see every constry in the undisturbed enjoyment of peace, liberty and the blessings of free institutions. Our mayat commanders in chose waters have been instructed, in case it should become necessary, to spare no effort to protect the lives and property of bona fide American citizens and to maintain the dignity of the flag, it is boped that all pending questions with Spain, growing out of the affairs in Cuba, may be adjusted in the spirit of peace and concilation which had intherito guided the two Powers in their treatment of such questions.

Diplomatic App Commercial Recommendations, and to further aid in retaining the good opinion of those peoples, and to secure to the Cinted States its share of the commerce destine to flow between those nations and the balance of the commercial world. I cancestly recommend that an appropriation be made to support at least four American youths in each of those countries, to serve as part of the official family of our Ministers there. Our representatives would not even then be placed upon an equality with the representatives of Great Eritain and of some other Powers. As now situated our representatives in Japan and China have to depend for interpreters there. Our representatives would not even then be placed upon an equality with the representatives of Great Britain and of some other Powers. As now situated our representatives in Japan and China have to depend for interpreters and translators upon natives of these countries, who know our language imperience to other foreign ministers. I would also recommend

lines of ocean steamers, and of increasing their services.

REDUCTION OF THE NATIONAL DEBT.

The national deot has been reduced to the extent of \$80,057,120 so during the year; and, by the negotiation of national bonds at a lower rate of interest, the interest on the public debt has been so far diminished that now the sum to be raised for the interest account is nearly seventeen million dollars less than on the 1st of March, 1869. It was highly desirable that this rapid diminition should take place, both to strengther the credit of the country and to convince the citizens of their entire ability to meet every dollar of hability without bankrupting them.

REDUCTION OF TAXATION.

able ends, of the rapid development of the resources of the country, its increasing ability to meet targe demands and the amount aireasy past, it is not desirable that the present resources of the country should continue to be taxed in order to continue this rapid payment. I therefore recommend a modification of bild the tarriff and internal tax laws. I recomment that all taxes from internal concess be abolished, except those collected from spiritous, vinous and mail fliquors, tobacco in its various forms and from shamps. In readjusting the tarriff is suggest that a careful estimate be made of the amount of surplus revenue collected under the present laws, after providing the current expenses of the government, the interest account and a sinking fund, and that this surplus be reduced in such manner as to afford the greatest relief to the greatest number. There are largely into general consumption through articles which are manufactured at home, such as medicines compounded, &c., &c., from which very little tevenue is derived, but which enter into general use. All suca articles I recommend to be placed on the free list. Sh uld a further reduction prove advisable I would then recommend that it be made upon those articles which can best bear it, without disturbing nome production or reducing the wages of American labor. I have not entered into figures, because to do so would be to repeat what will be laid before you in the report of the Secretary of the Treasury.

Collecting the revenues bay

laid before you in the report of the Secretary of the Treasury.

Collecting the revenues pay Collectors of customs small sularies, but provide for motices, shares in all selzures, which, at principal ports of entry particularly, raise the compensation of those officials to a large sum. It has always secred to me as if this system must at times work perniciously. It noids out an inducement to dishouses men, should such act how easien of those offices, to be lax in their scrutiny of goods entered to enable them finally to make large scizures. Your attention is particularly invited to this singlect.

Cambing in Gold.

Continued fluctuations in the value of gold, as compared with the national carrency, has a most damaging effect upon the increase and development of the country, in keeping up prices of all articles necessary in every daylife. It losters a spirit of gambing prejudicial alike to national inorals, and the national inneces. If the question can be met as to how to get a fixed value to our currency, that value constantly and uniformly approaching par with specie, a very desirable object will be gained.

ARMY PROMOTIONS.

Want to Sealest.

For the operations of the army into last year, the expense of insminating it, ine-estimates for the the expense of insminating it, ine-estimates for the theory of the propertion of the War Deportment. I refer you to the accompany of the property of the company of the property of the property of the company of the property of the property of the same of the property of the property of the same of the property of the property of the same of the property of t

status of plural wives and their offspring. The pro-priety of Congress passing an embling act anta r-izing the Territorial Legislature of tinh to legitima-tize all children born prior to a time fixed in the act might be justified by humanity to these innocent calidren. This is a suggestion only, and not a re-commendation.

calidrea. This is a suggestion only, and not a recommendation.

PRACE POLIGY TOWARDS THE INDIANS.

The policy pursued towards the Indians has resulted favorably, so far as can be judged from the limited time during which it has been in operation. Through the exertions of the various societies of Christians, to whom has been entrasted the execution of the policy, and the Board of Commissioners, suthorized by the law of April 10, 1869, many tribes of Indians have been induced to settle upon reservations, to cultivate the soil, to perform produce tive labor of various kinds and to partially accept civilization. They are being cared for in such a way, it is hoped, as to induce those still pursuing their old habits of life to embrace the only opportunity which is left them to avoid extermination. I recommend liberal appropriations to carry out the Indian peace policy, not only because it is humane, Christian-like and economical, but because it is right.

Christian-like and economical, but because it is right.

I recommend to your favorable consideration, also, the policy of granting a Territorial government to the Indians in the Indian territory west of Arkansas and Missouri and south of Kansas. In doing so every right guaranteed to the Indians by treaty should be secured; such a course might in time be the means of collecting most of the Indians now between the Missouri and the Pacific and south of the British Possessions into one Territory or one State. The Secretary of the Interior has treated upon this subject at length, and I recommend to you his suggestions.

gestions.

THE PUBLIC LANDS.

I renew my recommendation that the public lands be regarded as a heritage to our children, to be disposed of only as required for occupation and to actual settlers. Those already granted have been, in great part, disposed of in such a way as to secure access to the balance by the hardy settler wan my wish to avail himself of them; but caution should be exercised even in attaining so destrable an object. Educational interest may well be served by the grant of proceeds of sale of public lands to settlers. I do not wish to be understood as recommending in the least degree a curtainment of what is being done by the general government for the eacouragement of education.

The report of the Secretary of the Interior, submitted with this, will give you all the intorination collected and prepared for publication in regard to the census taken daring the year 1870, the Operations of the Burean of Education for the year, the Patent Office, the Penson Office, the Land Office, and the Indian Burean.

The report of the Commissioner of Agriculture gives the operations of his department for the year. As agriculture is the groundwork of our prosperity too much importance cannot be attached to the labors of this department. It is in the hands of an able head, with able assistants, all zealously devoted to infroducing into the agricultural productions of the nation all useful productions of the nation all useful products adapted to any of the various dimates and soils of our territors, and to giving all useful information as to the method of cultivation of the plants, cereals and other products adapted to particular localities. Quietly, but surely, the Agricultural Bureaut is working a great national good, and if ilocally supported the more widely its influence will be extended and the least dependent we shall be upon the products of foreign countries.

COMPENSATION TO PUBLIC OFFICERS.

The subset of compensation to the heads of bureaus and officials helding positions of responsibility and requiring ability and enarracer to fill them property is one to which your attention is invited. But few of the officials receive a commensation equal to the respectable support of a family, while their duties are such as to involve millions of interest. In private life services demand compensation equal to the same rule in the government service.

I have not given the estimates for the support of the government for the estimates for the support of the government to the custome of the formation of the forma

Under the pro

Under the provisions of the act of Congress approves Feornary 21, 151, a Ferritorial government was organized in the District of Columbia. Its results have thus far fully realized the expectations of its advocates. Under the direction of the Territorial officers as system of improvement has been maugurated by means of which Wassington is rapidly becoming a city worling of the nation's capital. The citizens of the District having voluntarily taxed themseives to a large around for the purpose of contributing to the adornment of the socion government, I recommend liberal appropriations of the party of Congress in order themseives to a large around the congress in order themselves of Congress in the Congress of the Congress in order themselves of the Congress in order themselves of the Congress in the Congress of the Congr

EXECUTIVE MANSION, Dec. 4 1871.

## THE NATIONAL FINANCES

Annual Report of Secretary Boutwell.

Another Immense Amount Off the National Debt.

Taxation Recommended.

A Reduction of \$36,000,000 of

A Synopsis of the New Loan and the Workings of the Syndicate—The Smallness of the Commission Allowed to Bankers the Cause Attributed for the Delay in Its Promulgation.

How to Regain the Maritime Frestige of the United States.

quantity of pig fron, 186 per cent in the quantity of melado, 189 per cent in the quantity of spices, and a large increase in many other acticles.

The probability is that the customs revenue for the current year will exceed that for the years 1570 and 1871. The receipts for internal revenue were \$13,093,153, being \$4,048,984 less than the estimates presented in December last for the fiscal year ending June 33, 1871. The estimates for the current fiscal year were \$125,418,000, and it is probable that the receipts will be equal to the estimates.

The NET RECEIPTS

for the fiscal year ending June 33, 1871, were as follows:—

From internat revenue. From sales of public lands. From miscellaneous sources.	2,000,040
Total receipts	\$388,323,944
for the same period were:— For civil and miscellaneous purposes For War Department. This is the net amount after deductar repaid into the Treasury as proceeds of singles, &c. The true expenditures were for Navy Department. For Indians For pensions	3 \$280,093 ares of ord- \$41,083,004 \$19,431,027 7,426,907 34,443,804
For laterest on the public debt	125,576,585

	Premium on sales of coin	48 502 839
	Fees from United States Consuls	505.563
	Sorage, rent, mbor, &c. at Custom Houses	414,310
	F.nes, penalties and foriettures for viola-	274,010
	tions of Customs taws	592,579
	Fees on letters patent	620,319
	Tax on circulation, deposits, &c., of na-	020,010
	At an at book by	6,003,584
	Repayment of interest by Pacific Railway	
	47 mm 70 710 d	813,284
	Dame tend and other land fees	615,923
	I the make at the and Marine Hospital Lix	885.535
	Descents of sale of coln, interest on sink-	A STATE OF
	to a and special funds	7.791.632
	Indiciary fines, penaltics and forietiures,	70,836
	polyntareament to be United States to	43.00
	water of utorekeepers in internal keye.	Maria Carlos Carlos Carlos
1	nue bonded warehouses	557,235
3	Direct tax	280,330
1	Emotument fees	550,857
ı	Charges for refining gold and silver bullion.	211,721
ı	Tendrom renat lands	1.140.120
۱	A served interest on proceeds of sale of In-	Security of the second
i	aton renot fund stocks and interest of	
ı	deferred payments on Indian trust lands.	237.921
,	Transparents to the linied States for	Company of the compan
۱	and advenced to meet matured inte	
ī	west on non-aving stocks held in trust	
۱	for warrong Indian Tribes	30,930
1	one two tares and ave cent coinage	100,000
ı	Unenumerated	745,441
ı	Total	31.500.738
ı	The receipts for the first quarter of th	e prosent
ı	denal year word:	
d	Hacar Jone acres	ERO 240 220

From sales of public lands	8,753,189
Total The expenditures for the same period, payments on account of the sinking fund For civil and miscellaneous purposes War Department. Navy Department. Indians Pensions For interest on the public debt	**************************************
Total.  The estimated receipts for the remain	ing three-

rsyment of the principal of the public debt for the fiscal year ending June 32, 1872 of \$71,794,991.

ESTIMATE FOR THE YEAR ENDING JUNE, 1873.
The receipts and expenditures for the fiscal year ending June 30 100 are estimated as follows:

Leccists from custom \$212,000,000

From internal re
From sales of public fanos.

From miscelaneous sources.

18,000,000 . Total rece pts for the fiscal year, 1872. \$350,000,000 Expenditures—Legisinfive establishment
Executive establishment,
Judicial establishment
Military establishment
Navai establishment
Indian adalss. 21,42 4,5 19 ment
Public works, under Interior Bepartment
Public works, under War Department.
Public works, under May's Department.
Public works, under Agricultural Department.
Postal service...
Misscillaneous 11,258,325 26,281,974 22, 895, 980 6, 783, 333

Total expenditure for fiscal year 1872. \$301,705,036 These estimates snow a balance of \$57,294,963 applicable to the payment of the principal of the decilin addition to the sum of \$28,679,213 due on account of the "Sinking Find," or the sum of \$28,679,213 due on account of the "Sinking Find," or the sum of \$50,374,226 in at. In the estimates for the dext fiscal year I have not included in the receipts the premium on gold which may be sold nor in the expenditures the premium which may be paid on bonds to be purchased in currency. In the suggestions I have the homer to make in reservector.

the United States.

The Bailding of Iron Stamms'ips in Amrican
Forts and the Granting of Subsidies.

\*\*Recognition of States of Subsidies.\*\*

\*\*In Int.\*\* The Str. Cit. 1992, and during the succeeding June 1992. The Subsidies of Subsidies.\*\*

\*\*Recognition of States of Subsidies.\*\*

\*\*Recognition of States of Subsidies.\*\*

\*\*Recognition of States of Subsidies.\*\*

\*\*In Int.\*\* The Str. Cit. 1992, and during the Subsidies.\*\*

\*\*In Int.\*\* The Str. Cit. 1992. The Subsidies.\*\*

\*\*In Int.\*\* The Str. Cit. 1992. The Subsidies.\*\*

\*\*In Int.\*\* The Str. Cit. 1992. The Subsidies.\*\*

In my annual report to Congress in 1870 1 expressed the opinion shat the settled policy of the principle of the Subsidies.\*\*

In my annual report to Congress in 1870 1 expressed the opinion shat the settled policy of the principle of the principle of the Subsidies.\*\*

In my annual report to Congress in 1870 1 expressed the opinion shat the settled policy of the principle of the principl

taining whether it is practicable to substitute paper for coin, and i naveres-on tounicipate that a change may be made in the laws relating to national banks tending to that result, which will not affect untavorably the general character of the system.

Fratus by Government Oppicers.

It is my duty to call the attention of Congress to the importance of aboushing the system of snares in morenes as far as the beneats inure to revenue officers and other persons officially connected with the government. This measure was recommended in my fast admund report, and a statement was submitted to Congress snowing the amount received by officers of castoms, together with a bill increasing their salaries without any increase of appropriations from the Treasury, the sam now paid from moieties being quite sufficient to place the entire force upon a satisfac ory footing in regard to pay.

During the last fiscal year the offices of Colector and surveyor of the Port of New York each received from moleties the sum of \$49,215 and the Naval Odice the sam of \$48,105. In most of the cases the officers do not perform special services entiring them to the amounts granted, and importers and others, whose acts were made the subject of myestigation, complain, and, I think with just reason, that the agents of the government have a pecuniary interest in pursuing those charged with violations of the law. The government ought to pay far salaries, and rely upon the good faith of its officers for the performance of their duty. One of the difficulties which the department has to officers for the precedings for the discovery of fraud, the settlement of cases or the proceed in the government, and as a necessary result the conductor such officers against anarams.

interest in the proceedings for the discovery of fraud, the settlement of cases or the prosecut on of them, which is different from the real interest of the government, and as a necessary result the conduct of such officers is open to suspicion, both on the part of those who are pursued by them and the government they ostensibly represent. It may be deemed expedient to dave the law as it now stands in regard to informers who are not others, making it a penal offence for any other to enter into an arrangement with an informer or or any share of the proceeds of the information and giving to the informer perbectual right of action for the recovery of any money or other valuation for the recovery of any money or other valuation.

The report of the Comptroller of the Currency shows that 145 banks have been organized under the same of \$54,000,000 of additional bank circulation; and that the sum of \$22,333,900 has been issued. By virtue of the same act the Treasury has redeement \$22,230,000, of the three per cent certificates then in circulation leaving the sum of \$23,400,000 how obtaining. I take the infortized by said not as it now stands. Should the states that have already received their proportion of circulation be antiorized to take what may remain only a prief period will clapse before a demand will be made from States with a limited circulation for the onesse of equality of apportionment. The details of the aubscription to the loan show that the national banks have, upon the whole, acted liberally, more than a nundred millions of dollars having been severable to the may remain only a prief period will etapse before a demand will be made from states with a limited circulation for an increase, it seems prudent, therefore, to retain the balance of the \$44,000,000 for distribution in those States now having a claim to it, on the basis of equality of apportionment. The details of the aubscription to the loan show that the national banks have, upon the whole, acted liberally, more than a nundred millions of dollars

falicit to make the required subscription, and the circulation transierred from such banks to the new associations.

The canks now organized cannot justly comp am if, having an opportunity to pursue the outsiness upon the new bonds, and declining it, other associations shall succeed to their franchises and rights.

The business of the BUREAU OF ENGRAVING AND PRINTING has been carried on with diligence during the year, and with satisfactory results. Although some efforts have been made at counterfailing the special papers used by the department, they have not been successful, and specimens captured are so crude as not to exous serious apprehensions as to ultimate success. Since the 1st of July, 1869, 74,000,000 sheets of paper have been manufactured, and of which have been accounted for on the books of the department. A respectfully recommend that an appropriation be made for a new issue of national bank noise. Those now in use are much worn, and very successful counterfeits of several denominations have appeared.

PERKRUCKION OF PUBLIC BUILDINGS BY THE CHICAGO FIRE.

The public building used as a Custom House. Court

The public building used as a Custom House, Court

House and Post Office at Chicago was destroyed by the great fire on the sith of october last.

The exterior walls romain, and could be repaired; but audicipating the growth of Chicago and the magnitude of public business I adviss the erection of a business guited to the wants of a first class city. It is important that a much larger piece of land about he obtained, either by addition to the present tot or by the purchase of another site. On the 18th of October last I wrote a letter to Governor Palmer, urging him to recommend to the 16th of the present to or by the purchase of another site. On the 18th of October last I wrote a letter to Governor Palmer, urging him to recommend to the 16th of Cours of the State of Inflors to condemn such than as might be required in case the government should be unable to obtain it by purchase as a reasonable brice, parment to be made upon an apraisal. In every case the site for a building erected by the government should be large enough to separate it from all other structures, thus furnishing sufficient light for the prosecution of business, and adequate security also against fire and the depredations of lawless person. It is hardly necessary to say that in the existing condition of adars at Chicago it is important inat an appropriation, a valuable during the present fical fear, should be made without unnecessary delay.

THE NEW STATE BUILDINGS.

Since my last annual r-port the Supervising House and Post Office at Chicago was destroyed by

delay.

THE NEW STATE BUILDINGS.

Since my last annual r-port the Supervising Architect has completed the Custom House, Court and Post Olice at Portland, Maine: the Court House and Post Office at Des Moines, lowa; the Court House and Post Office at Madeson, Wisconsin; the Appraisers' stores at Roise City, Idaho. It is now expected that he Custom House and Post Office at St. Paul, Minnesota; the Marine Hospital at Chicago, Illinois; the Court House and Post Office at St. Paul, Minnesota; the Marine Hospital at Chicago, Illinois; the Custom House at Machias, Maine; the Branca Mint at San Francico, California, and the Custom House at Caro, Illinois, will be finished and ready for use by the 1st day of July next. At that time there will remein man unfinished condition the Court House and Post Office at Columbia, South Catonina; the Custom House at New Orleans, Louisana; the Custom House at Charleston, Eooth Carolina, the Custom House and Post Office at Knoxylle, Tenn., the Custom House and Post Office at Knoxylle, Tenn., the Custom House and Independent Treasury at Boston, and the Custom House and Post Office at Office at New York, the Post Office and Independent Treasury at Boston, and the Custom House and Post Office at Office at Omaia, Neb. The prosecution of those works, some of which are of great importance, in connection with public bining and the Post Office, and the erection of marine hospitals at Pittsburg, San Francisco and New York, wil, in my Polinion, sanificently occupy the Supervising Architect of the Treasury and the force at his command.

Pittsdurg, San Francisco and New Tors, with in my oblinion, squitcentry occupy the Supervising Archi-tect of the Treasury and the force at his command. I cannot, therefore, alvise appropriations for other public buddings unth some of those in process of construction snail have been completed. The points at writer the erection or repair of public buildings is most needed are Hartford, Indianapolis, Cincinnati and St. Acolis.

I cannot, therefore, a trise appropriations for other public buildings in all which the erection or repair of public buildings is most needed are Hartford, indistrables, Omelman; and St. souls.

COAST SURVEYS AND LIPE-SAVING APPARATUS.
Under an act passed at the last session of Congress, appropriating \$20,000 for the purpose of more effectually securing the and property on the coasts of New Jersey and Long Jaand, a careful examination of the coasts and of the into-saving stations has been made by experienced officires of the revenue service. In accordance with their report proposals were invited and accepted for the erection of fourteen new houses on the coast of New Jersey and swepto as the coasts of hour leading versions has been made by experienced officires of the Long Island coast, The operations of the Coast Survey, which are under the auministrative direction of this department, have occuprosecuted with the usual energy, as will be seen from the orier report of progress made by the Superintendal in advance of the usual detailed reports, with maps, annually submitted to Congress.

The survey of the Atlastic coast is now rapidly approaching completion; that of the Gulf coast is now rapidly approaching completion; that of the Gulf coast is now report of progress made by the Superintendal in crease is asked for the field of the fell coast is now rapidly approaching completion; that of the Gulf coast is now the propriations for the present year, An increase is asked for the field of the

THE REVENUE MARINE SERVICE employs twenty-bye steam vessels and sailing vessels, in addition to these are two large steamers upon the

not in commission, and it wo schools whom the construction of the six area steamers upon the lakes four only are in commission, and as the others are not needed in the six area steamers upon the lakes four only are in commission, and as the others are not needed in have the homor to recommend that authority be given for their gale. During the last year four from steamers have been built—three of 250 and one of \$30 tons burden. Under the existing appropriation of \$20,000 the Department is about to issue proposals for lour small iron propellers, two for the racind and two for the Atlantic coast. A furth appropriation of \$20,000 is needed to enable the department to carry into effect the recommendation of the commission, whose report was approved by the department and submitted to Congress May 26, 1870. The plan recommendation of the rounding state of the service of about five hundred thousand dollars, or about thirty-four per cent of the whote cost. In changes proposed contemplate the use of vessels of less toname, and a consequent reduction of the number of men employed.

The expenses of the revenue marine service for the year ending June 30, 1871, were \$1,291,994. The expenses of the revenue marine service for the year ending June 30, 1871, were \$1,291,994. Quarter of the present fiscal year shows a refunction Against \$1,193,393 for the preceding year. The first expenses of \$33,201 as compared with the corresponding period of the preceding year. The first expenses of \$35,301 as compared with the corresponding period of the preceding year. The first expenses of \$35,301 as compared with the corresponding period of the preceding year. The first expenses of \$35,301 as compared with the corresponding period of the preceding year. The first expenses of \$35,301 as compared with the corresponding period of the preceding year. The first expenses of \$35,301 as compared with the corresponding period of the preceding year data five capitalists, the first leaders and year of the preceding year of the preceding year of the p

I again call the attention of Congress to the importance of increasing the salaries of the Survau officers and heads of division in the Treasury Department. At present there is great inequality and injustice existing. The First Comptroller receives a salary of \$6,000 a year, while the Second Comb